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INFO RUEHRI/AMCONSUL RIO DE JANEIRO 8094
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RUEHRG/AMCONSUL RECIFE 9834

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STATE FOR EEB/TRA, WHA/BSC, WHA/EPSC

E.O. 12958: N/A TAGS: <u>EAIR</u> <u>BR</u>

SUBJECT: CIVAIR BRAZIL: USAIRWAYS APPLICATION FOR FREQUENCIES

SENSITIVE BUT UNCLASSIFIED

REF: STATE 80732

- 11. (SBU) Summary: On August 14, Brazil's National Civil Aviation Agency (ANAC) confirmed that the August 11 ANAC Board of Directors' meeting granted US Airways legal approval to work in Brazil. This approval allows for US Airways to begin contracting personnel, registering the company and acquiring office space at Rio's Galeao airport in preparation for its inaugural flight between Charlotte and Rio in December 2009. However, the Board did not approve US Airways' operations permit. According to Ricardo Catanant, ANAC's head of commercial licensing, ANAC has no record of US Airways' Security Plan, its Airworthiness Certificate, nor has US Airways submitted to ANAC their fare schedules for the new route. These documents are required before ANAC's Board of Directors votes on approving US Airways' operations permit. Catanant suggested that either US Airways or its legal counsel in Brazil contact him directly at 5561-3366-9427, or his assistant Leonardo Miranda at 5561-3366-9504, to review this issue with them. End Summary.
- 12. (SBU) ANAC Director Marcelo Guaranys confirmed the outcome of the Board of Directors' vote, and explained that the issuance of permits for new carriers operating in Brazil involves two separate votes, the first being commercial, and the second operational. Guaranys was told US Airways believed it had submitted required documentation three weeks previous, but he confirmed the required operational documents were not on file at the time of the vote. In addressing US Airways' request for temporary permission to begin selling tickets for peak season travel in December while it waits on permit approval, Guaranys stated that Brazilian civil aviation regulations do not allow for airlines to sell tickets "pending government approval." Guaranys suggested US Airways talk directly to Catanant and Miranda to clarify the status of the application.
- 13. (SBU) ANAC's Catanant and Miranda confirmed that ANAC still had no records of US Airways' Security Plan, its Airworthiness Certificate, nor US Airways' proposed fare schedules for the new route, during an August 17, 2009 phone conversation with Econoff. Miranda advised that once all required documents are received and approved, the subject would come up for vote at ANAC's weekly Board of Directors' meeting and US Airways should receive the second license about two weeks later. Upon license receipt, it would be possible for US Airways to ask authorization for scheduled flights. Catanant suggested that US Airways or its legal counsel contact him or Miranda via phone or at Catanant's email address, ricardo.catanant@anac.gov.br, to obtain more information about the process or answer any questions.
- 14. (SBU) Comment: Post recommends US Airways contact ANAC's Catanant or Miranda to clarify US Airways' application status. Post stands ready to assist should US Airways have additional questions. End Comment.